



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

NORTH AUSTIN SURGERY CENTER
12201 RENFERT WAY SUITE 120
AUSTIN TX 78758-5362

Respondent Name

TRAVELERS CASUALTY INS CO OF AMERICA

Carrier's Austin Representative Box

Box Number 05

MFDR Tracking Number

M4-12-0392-01

MFDR Date Received

OCTOBER 6, 2011

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "No previous payment made"

Amount in Dispute: \$337.06

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Provider performed an arthroscopic shoulder repair, and billed the Carrier for CPT codes 29826, 23430-RT, and 64416. The Carrier reimbursed the Provider for CPT codes 29826 and 23430-RT, but denied reimbursement for 64416 as it was included in other reimbursement...The Carrier denied reimbursement for CPT code 64416 because the facility fee for CPT code 64416 is included in the facility fee for the primary procedure, CPT code 29826, per the Medicare edits for these procedures. The Provider used a modifier '59' to designate that this was a separate procedure, and in its appeal argues that it was done for postop pain. However, the operative report notes that the Claimant underwent general anesthesia and interscalene block. There is no indication that a separate injection procedure was performed other than the anesthesia for the surgical procedure. As the service is not separately reimbursable to the facility no additional reimbursement is due for this service."

Response Submitted by: Travelers

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 30, 2011	ASC Services for CPT Code 64416-59-RT	\$337.06	\$337.04

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.402, titled *Ambulatory Surgical Center Fee Guideline*, effective August 31, 2008, sets out the reimbursement guidelines for ambulatory surgical care services.

3. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- T104-184-The prescribing/ordering provider is not eligible to prescribe/order the service billed. Provider is not licensed in Texas as an ASC.
- INCD-97-Payment is included in the allowance for another service/procedure. Included in global reimbursement.
- Z014-97-Payment is included in the allowance for another service/procedure. This procedure is considered integral to the primary procedure billed.
- DUPP-18-Duplicate claim/service. These services have already been considered for reimbursement.
- T138-B13-Previously paid. Payment for this claim/service may have been provided in a previous payment. The use of modifier 59 does not change the allowed FS payment previously made.

Issues

1. Is CPT code 64415-59-RT included in the allowance of another service/procedure performed on the disputed date of service?
2. Is the requestor entitled to reimbursement?

Findings

1. 28 Texas Administrative Code §134.402(d) states “ For coding, billing, and reporting, of facility services covered in this rule, Texas workers' compensation system participants shall apply the Medicare payment policies in effect on the date a service is provided with any additions or exceptions specified in this section.”

Per the National Correct Coding Initiatives (NCCI) Policy Manual, Chapter 2, “Pain management performed by an anesthesia practitioner after the postoperative anesthesia care period terminates may be separately reportable. However, postoperative pain management by the physician performing a surgical procedure is not separately reportable by that physician. Postoperative pain management is included in the global surgical package.”

A review of the Interscalene Block Note supports the requestor’s position that it is a separate procedure because it was performed for postoperative pain by a different physician other than the surgeon.

2. CPT code 64415 is defined as “Injection, anesthetic agent; brachial plexus, single.”

Per NCCI Policy Manual, Chapter 2, “CPT codes 64400-64530 (Nerve blocks) may be reported on the date of surgery if performed for postoperative pain management. Nerve block codes should not be reported separately on the same date of service as a surgical procedure if used as the primary anesthetic technique or as a supplement to the primary anesthetic technique. Modifier 59 may be utilized to indicate that a nerve block injection was performed for postoperative pain management, rather than intraoperative anesthesia, and a procedure note should be included in the medical record.” A review of the submitted medical bill reveals that the requestor appended modifier 59 to CPT code 64416. The Division finds that CPT code 64416-59-RT was billed correctly.

28 Texas Administrative Code §134.402(f)(1)(A) states “The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the *Federal Register*. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the *Federal Register*, or its successor. The following minimal modifications apply: (1) Reimbursement for non-device intensive procedures shall be: (A) The Medicare ASC facility reimbursement amount multiplied by 235 percent.”

According to Addendum AA, CPT code 64416 is a non-device intensive procedure.

The City Wage Index for Austin, Texas is 0.9514.

The Medicare fully implemented ASC reimbursement for code 64416 CY 2011 is \$294.00

To determine the geographically adjusted Medicare ASC reimbursement for code 64416:

The Medicare fully implemented ASC reimbursement rate of \$294.00 is divided by 2 = \$147.00

This number multiplied by the City Wage Index is \$147.00 X 0.9514 = \$139.85.

Add these two together \$147.00 + \$139.85 = \$286.85.

To determine the MAR multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235%

\$286.85 X 235% = \$674.09. CPT Code 64416 is subject to multiple procedure rule discounting; therefore, \$674.09 X 50% = \$337.04. The respondent paid \$0.00. The difference between the MAR and amount paid is \$337.04. As a result, this amount is recommended for additional reimbursement.

Conclusion

The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation supports additional reimbursement sought by the requestor. The Division concludes that the requestor supported its position that additional reimbursement is due. As a result, the amount ordered is \$337.04.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby **ORDERS** the respondent to remit to the requestor the amount of \$337.04 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

		06/12/2013
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision* together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service** demonstrating that the request has been sent to the other party.**

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.